

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 2175

5 By: Representative King
6
7

For An Act To Be Entitled

8 AN ACT TO AMEND ARKANSAS LAW CONCERNING THE USE
9 OF CONTRACTORS ON CERTAIN PROJECTS; AND FOR OTHER
10 PURPOSES.
11

Subtitle

12 AN ACT TO AMEND ARKANSAS LAW CONCERNING
13 THE USE OF CONTRACTORS ON CERTAIN
14 PROJECTS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 17-25-101 is amended to read as follows:
22 17-25-101. Definition.

23 (a)(1) As used in this chapter, "contractor" means any person, firm,
24 partnership, copartnership, association, corporation, or other organization,
25 or ~~any a~~ combination thereof, that, for a fixed price, commission, fee, or
26 wage, attempts to or submits a bid to construct or demolish, or contracts or
27 undertakes to construct or demolish, or assumes charge, in a supervisory
28 capacity or otherwise, or manages the construction, erection, alteration,
29 demolition, or repair, or has or have constructed, erected, altered,
30 demolished, or repaired, under his or her, their, or its direction, any
31 building, apartment, condominium, highway, sewer, utility, grading, or any
32 other improvement or structure on public or private property for lease, rent,
33 resale, public access, or similar purpose, except single-family residences,
34 when the cost of the work to be done, or done, in the State of Arkansas by
35 the contractor, including, ~~but not limited to,~~ without limitation labor and
36 materials, is ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars



1 (\$50,000) or more.

2 (2) However, when a person or an entity acts as a contractor in
 3 the construction, erection, alteration, demolition, or repair of his or her
 4 own or its own property, ~~such~~ the action shall not result in the person or
 5 entity being required to obtain a license, but the person or entity shall
 6 comply with all other provisions of this subchapter.

7 (b) However, the ~~twenty-thousand-dollar~~ fifty-thousand dollar
 8 exception shall not apply to ~~any~~ a project of construction in which any of
 9 the construction work necessary to complete the project, except ~~any~~ in-
 10 progress change orders, is divided into separate contracts of amounts less
 11 than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000), a
 12 purpose being to circumvent ~~the provisions of~~ this chapter.

13 (c) It is the intention of this definition to include all
 14 improvements, demolition, or structures, excepting only single-family
 15 residences.

16 (d)(1) Materials purchased by a prime contractor from a third party
 17 shall not be considered as part of the subcontractor's project if the prime
 18 contractor has the proper classification listed on a current contractor's
 19 license for the work being performed by the subcontractor.

20 (2) Materials purchased by a person or an entity acting as a
 21 contractor in the construction, erection, alteration, or repair of his or her
 22 own or its own property from a third party shall not be considered as a part
 23 of the subcontractor's project, provided ~~that~~ the subcontract is for wood
 24 framing, shingle roofing, painting, floor covering, or concrete labor.

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26 SECTION 2. Arkansas Code § 17-25-103(a)(1)(A), concerning penalties
 27 for violating Arkansas contractor laws, is amended to read as follows:

28 (1)(A) For a fixed price, commission, fee, or wage attempts to
 29 or submits a bid or bids to construct or demolish or contracts to construct
 30 or demolish, or undertakes to construct or demolish, or assumes charge in a
 31 supervisory capacity or otherwise, or manages the construction, erection,
 32 alteration, demolition, or repair of, or has constructed, erected, altered,
 33 demolished, or repaired, under his or her or its direction, any building,
 34 apartment, condominium, highway, sewer, utility, grading, or any other
 35 improvement or structure, when the cost of the work to be done, or done, in
 36 the State of Arkansas by the contractor, including, ~~but not limited to,~~

1 ~~without limitation~~ labor and materials, is ~~twenty thousand dollars (\$20,000)~~
 2 fifty thousand dollars (\$50,000) or more, without first having procured a
 3 license with the proper classification to engage in the business of
 4 contracting in this state.

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6 SECTION 3. Arkansas Code § 17-25-301(b)(1), concerning evidence of
 7 contractor licensure, is amended to read as follows:

8 (b)(1) ~~Upon~~ On making application to the building inspector or other
 9 authority of any incorporated city or town in Arkansas charged with the duty
 10 of issuing building or other permits for the construction of any building,
 11 apartment, condominium, utility, highway, sewer, grading, or any other
 12 improvement or structure, when the cost of the work to be done by the
 13 contractor, ~~but not limited to~~ including without limitation labor and
 14 materials, is ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars
 15 (\$50,000) or more, ~~any~~ a person, firm, or corporation, before being entitled
 16 to the issuance of such permits, shall furnish satisfactory proof to the
 17 inspector or authority that he or she is ~~duly~~ licensed under ~~the terms of~~
 18 this chapter.

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20 SECTION 4. Arkansas Code § 17-25-401(b), concerning the definition of
 21 a contractor, is amended to read as follows:

22 (b) However, when a person or entity acts as a contractor in the
 23 construction, erection, alteration, or repair of his or her own or its own
 24 property or of a single-family residence, or if the cost of the work to be
 25 done, ~~including, but not limited to,~~ without limitation labor and materials,
 26 is less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars
 27 (\$50,000), the person or entity shall not be deemed a contractor under this
 28 chapter.

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30 SECTION 5. Arkansas Code § 17-25-502(3), concerning the definition of
 31 single family residence, is amended to read as follows:

32 (3) "Single family residence" means ~~any~~ a project consisting of
 33 one (1) but not more than four (4) units of new construction for residential
 34 occupancy, when the cost of the project is ~~twenty thousand dollars (\$20,000)~~
 35 fifty thousand dollars (\$50,000) or more. This definition does not apply to
 36 subcontractors of licensed residential building contractors or to remodeling

1 operations.

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